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GOVERNMENT EXPERTS SEE RECONVERSION LAGGING IN 1945, BUT SKYROCKETING IN 1946

If the prospects for such civilian "hard goods" as refrigerators and other major appliances reaching the general public this year seem poor, it may be some consolation to both dealers in such equipment and the public to know that such items will probably appear in abundance early in 1946.

At least that's the theory now being advanced in some official quarters in Washington. It is said that the "reconversion" pattern may follow the "conversion" pattern of 1941 and 1942, when the war production programs ran into snags at the start, but skyrocketed to unbelievable figures once they got rolling.

Thus, it is believed that while production of civilian items for the balance of the year may not meet expectations, production by the end of the first quarter of 1946 will be running beyond expectations.

There is some thinking here now to the effect that the program of 265,000 refrigerators and 350,000 washing machines in each of the next two quarters will not be met. One prediction is that only 50,000 refrigerators will be produced. Reasons for this are scarcity of certain components—steel, plastics, finishes, motors—and the necessity for retooling and plant changeovers.

There does not seem to be much inclination to produce refrigerators made of more abundant materials, such as aluminum, because of the long time needed to redesign the product.

WPB has established a goal of 35,000 electric ranges per quarter for 1945, but it is estimated that production in the first half of the year has been only 60,000 ranges, or 10,000 short of the program.

Few ranges are expected to get to retail channels before next year.

WHAT WOULD HAPPEN ON REFRIGERATOR RECONVERSION SHOULD V-J DAY COME IN 30 DAYS

What will happen to the production and distribution of refrigerators and appliances if V-J Day should happen to come by Aug. 1 or Sept. 1?

The WPB policy, at least as enunciated by Chairman J. A. Krug, is that "consumer rationing should be retained only for items remaining in serious short supply and where necessary to assure fulfillment of war-supporting and critical civilian needs."

But refrigerators, in the eyes of the WPB officials, will be an item "in serious short supply." According to the *Wall Street Journal*, an "unpublished WPB report" has this to say on refrigerators:

"Since it would take nearly two years at the peak rate of prewar production to supply the existing backlog of demand, priority in the purchase of newly made refrigerators should continue to be given where necessary for that length of time to users meeting the criteria which have been maintained up to now, and perhaps the criteria might be broadened to some extent. Beyond this . . . it would be inadvisable to attempt to distinguish between the needs of one potential purchaser and another."

ADDITIONAL QUOTAS ASSIGNED FOR HOUSEHOLD REFRIGERATORS AND WASHERS

Additional production quotas for household mechanical refrigerators and washing machines for the third quarter have just been announced by WPB.

Following are the company quotas for 27,993 refrigerators for which priorities assistance will be given:

Admiral Corp., Connersville, Ind. and Tecumseh, Mich.	7,952
Crosley Corp., Richmond, Ind.	11,067
Gibson Electric Refrigerator Corp., Greenville, Mich.	8,974

There remains a balance of 9,298 refrigerators to be assigned to reach the previously announced quota of 265,000 refrigerators in the third quarter.

The additional washer quotas assigned totaled 148,093 units, and went to individual manufacturers as follows:

Apex Electrical Mfg. Co.	25,585
Beam Mfg. Co., Webster City, Iowa.....	9,079
Horton Mfg. Co., Ft. Wayne, Ind.	4,800
Vidric Mfg. Co., Chicago	6,600
Meadows Division, Electric Household Utilities Co.....	9,295
Voss Products Mfg. Co., Davenport, Iowa.....	3,700
Easy Washing Machine Corp., Syracuse, N. Y.	32,182
Altofer Bros. Corp., Peoria, Ill.	22,360
Barlow & Seelig Mfg. Co., Ripon, Wis.	17,992
Chicago Electric Mfg. Co., Chicago	6,500

There are quotas open for 45,110 more washers in third quarter production.

LIMITED QUANTITY OF FINISHES FOR REFRIGERATORS TO BE AVAILABLE BEGINNING IN JULY

A limited quantity of suitable protective coatings will be available beginning in July for a few important reconversion items, such as refrigerators and washing machines, WPB officials told members of the Paint, Varnish and Lacquer Industry Advisory Committee at a recent meeting.

WPB explained that the limited available supplies of these protective coatings are due to a shortage of certain synthetic resins, particularly phthalic alkyd resins.

A subcommittee submitted a report covering complaints of producers who have been unable to obtain paint products for highly essential civilian uses. A limited list of civilian end uses to which preference ratings should apply was presented by the subcommittee for the consideration of Government officials and the committee as a whole. The suggested procedure is now being studied by WPB.

SOUTHERN FURNITURE DEALERS ASK UTILITIES TO DROP MERCHANDISING OF APPLIANCES

Furniture dealers in the southeast are "suggesting" to power companies that utilities concentrate on a dealer cooperative program for promoting the using of electricity rather than on direct appliance sales.

A letter from John A. Gilmore of Charlottesville, Va., executive vice president of the Southern Retail Furniture Association, to the Duke Power Co., points out that furniture stores "are making more aggressive plans" to expand their appliance sales.

"While we realize that your company, as well as other companies, has done the pioneering work on home appliances," the letter says, "we feel that since this merchandise has now become 'over-the-counter' the retail dealers can adequately and more satisfactorily develop a wider market for appliances."

Some of the largest power companies in the south have announced that they may adopt a non-merchandising program. The Virginia Electric & Power Co. has told the appliance trade in its territory that it will do no more selling, but will continue to promote the sale of appliances.

PR-28 DROPS GENERAL PRIORITIES HELP FOR CIVILIAN GOODS;
PLAN FOR TRANSITION ANNOUNCED

Dropping of general priorities assistance for civilian goods and establishment of a procedure for granting special assistance where absolutely needed in manufacture of essential civilian goods is provided in the new Priorities Regulation 28 issued by WPB. Also announced is Priorities Regulation 29, which outlines the new priorities system to be introduced during the third and fourth quarters of 1945 as the result of the ending of the European phase of the war.

General priorities assistance is now being given only to a few selected programs of essential civilian goods, such as electric refrigerators and washing machines. Under PR-28, if a manufacturer needs a certain quantity of some specific item to complete assembly of civilian goods, he can apply for special "bottleneck" assistance on forms WPB-541 and WPB-541a. Assistance to be granted under this regulation includes an AA-4 rating and a Z-3 symbol for controlled materials, which is comparable to the general assistance granted small manufacturers under PR-27.

Under the new priorities rating system outlined in PR-29, the present AA rating methods and Controlled Materials Plan will be discontinued at the end of 1945 and replaced by a system in which the AAA rating will be assigned in emergencies as under existing procedures but a new MM rating will be assigned by military agencies, says WPB.

During the transition period from July 1 to Dec. 31, the MM rating will be equivalent to AA-1. The AA ratings also will be retained for certain materials, such as textiles, if it is not practicable to adapt existing controls to the new system, according to WPB.

Further details of the new orders PR-28 and PR-29 will appear in a future issue of the NEWS.

REFRIGERATED KANSAS MINE GOES INTO OPERATION,
BUT FOOD FOR STORAGE APPEARS LACKING

Forty-eight blast coolers powered by three 250-ton refrigeration machines have been placed in operation to cool the abandoned limestone mine which has been remodeled by the War Food Administration into a 9,000,000-cu. ft. refrigerated warehouse. It will require a month to cool the converted mine to 30° F., according to J. F. Pritchard, contractor.

There is no food in the storage space now, which is large enough to accommodate 3,000 carloads, and Phil Eckels, who manages the operation, says he does not know when WFA will store any.

The mine was leased last summer by Eldon Richardson, WFA food storage chief, when there was a large surplus of perishable foods and no storage space available. The problem today, however, is not where to store surplus foods, but where to find the food.

NEW ORLEANS FIRM PLANS TO FREEZE CITY'S FAMED DISHES AND MARKET THEM BY AIRMAIL

Marketing quick frozen dinners by airmail will be the function of New Orleans Foods, Inc., a subsidiary of that city's famous La Louisiane Restaurant, Inc., after the war, according to Edward H. Seiler, president of the parent company.

As soon as low temperature freezing equipment becomes generally available, complete dinner menus will be ready for regular distributors, the company says. For the moment, intercity test runs have proved highly satisfactory.

A dinner for 12 was flown in January to the Lake Forest, Ill., home of W. L. Morrison, general manager of Motor Products' Deepfreeze division. Later 100 members of the National Restaurant Association, meeting in Chicago, were similarly served.

One time earlier this year complete dinners for 14 guests were cooked, quick frozen, and flown to Memphis by Chicago & Southern Air Lines. The 84 cardboard cartons were packed in dry ice for the trip, and kept overnight in the refrigerator at Memphis' Peabody hotel. Dinner was served the next afternoon.

BENDIX TO MAKE IRONERS AND DRYERS

Bendix Home Appliances, Inc., has announced its entrance into the home ironer and home laundry dryer fields. The new products were previewed at a series of distributor round table conferences held at the factory during June.

Model of the postwar Bendix automatic home laundry, which is said to incorporate 14 improvements over the last machine made in 1942, according to a Bendix news release, was also shown to distributors.

Production on the Bendix automatic home laundry was begun July 1, and it is expected that each of the 8,000 dealers will be supplied with floor demonstration units by early fall, according to H. K. Lyons, director of distribution.

Automatic home ironer and dryer production is scheduled to follow at a later date, it was reported.

DETAILS GIVEN ON USE OF PRIORITIES REGULATION 27 BY SMALL COMPANIES

Manufacturing firms with sales volume of \$50,000 or less per quarter are being urged to take full advantage of the War Production Board's Priorities Regulation No. 27 which gives firms in this category priorities assistance in obtaining materials for production.

The regulation gives manufacturers who produce less than \$50,000 worth of their own products per quarter (manufacturer's sale price) an AA-4 rating as an aid to obtain needed materials. It also permits the use of a CMP allotment symbol Z-3 on orders for steel, copper, and aluminum. This privilege is denied all larger firms which are not engaged in the production of programmed items, such as refrigerators, farm machinery, metal furniture, and stoves.

Small plants are not required to visit WPB offices for assignment of the priorities. The regulation permits small plants to obtain preference merely by placing the CMP allotment symbol and preference rating on their purchase orders, together with a certification that they are eligible under the regulation.

The regulation applies to individuals starting new manufacturing businesses as well as those already in business. It does not apply to wholesalers, retailers, or others engaged in distribution; to repair men; or to persons engaged in service trades. Also ineligible to benefit by its provisions are branches, divisions, or subsidiaries of companies unless production of the entire organization is within the \$50,000 per quarter limit.

The AA-4 preference rating and Z-3 allotments are granted solely for acquisition of production materials. They cannot be used for the purchase of capital equipment or maintenance, repair, and operating supplies. Paper and paperboard, purchase of which is governed by other WPB orders, also are listed as not available through use of preferences provided by the regulation. An additional restriction is that this priorities assistance cannot be used to purchase materials for inventory contrary to WPB's inventory control orders and other applicable regulations.

The regulation may not be used by any person or firm to obtain material of any kind from a retail store.

STUBBS HEADS CONSUMERS DURABLE GOODS BRANCH OF OFFICE OF CIVILIAN REQUIREMENTS

William H. Stubbs has been designated to succeed Leslie P. Dodge, who resigned as chief of WPB's Consumers Durable Goods Branch, Office of Civilian Requirements.

Mr. Stubbs became associated with WPB in October, 1943, as assistant to Mr. Dodge. Previously, Mr. Stubbs had been deputy director of the Property and Procurement Division of the National Youth Administration in Washington, D. C., and was the deputy procurement officer of the Treasury Department in his home town, Birmingham, Ala., between 1935 and 1938.

As chief of the OCR's Consumers Durable Goods Branch, Mr. Stubbs will be responsible for programming all consumer items, with the exception of draperies and floor coverings.